

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)	
COMMISSION OF THE APPLICATION OF THE)	
FUEL ADJUSTMENT CLAUSE OF HARRISON)	CASE NO. 96-535
COUNTY RURAL ELECTRIC COOPERATIVE)	
CORPORATION FROM NOVEMBER 1, 1994)	
TO OCTOBER 31, 1996)	

O R D E R

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on November 14, 1996 established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of Harrison County Rural Electric Cooperative Corporation ("Harrison County") for the two years ended October 31, 1996.

As part of this review, the Commission ordered Harrison County to submit certain information and an affidavit attesting to its compliance with Commission Regulation 807 KAR 5:056. Harrison County has complied with this Order. The Commission further ordered that a public hearing be held in this case but cancelled it when, after publication of notice, no interested party advised the Commission of its intention to attend.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that:

1. Harrison County has complied in all material respects with the provisions of Commission Regulation 807 KAR 5:056.

2. East Kentucky Power Cooperative, Inc. ("EKPC"), the wholesale supplier of Harrison County, has been authorized to transfer (roll-in) a 0.23 mills per Kwh decrease in its base fuel cost to its base rates.¹

3. Harrison County should be authorized to transfer (roll-in) a 0.24 mills per Kwh decrease in its base fuel costs to its base rates to reflect, as adjusted for line loss, the transfer of a 0.23 mills per Kwh decrease in EKPC's base rates. This transfer can best be accomplished by a negative energy adder to each Kwh sold.

4. The rates and charges in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable, and reflect the transfer of fuel costs from the FAC to the base rate.

IT IS THEREFORE ORDERED that:

1. The charges and credits applied by Harrison County through the FAC for the period November 1, 1994 to October 31, 1996 are approved.

2. Harrison County is authorized to transfer to base rates those fuel costs (as adjusted for line-loss) rolled-in by EKPC from its FAC to its base rates.

3. The rates in Appendix A are approved for service rendered by Harrison County on and after September 1, 1997.

4. Within 30 days of the date of this Order, Harrison County shall file with the Commission revised tariff sheets setting out the rates approved herein.

¹ Case No. 96-522, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 1994 to October 31, 1996.

Done at Frankfort, Kentucky, this 20th day of August, 1997.

PUBLIC SERVICE COMMISSION

Linda K. Breathitt
Chairman

E. J. Holmes
Vice Chairman

B. J. Helton
Commissioner

ATTEST:

Don Mills
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 96-535 DATED AUGUST 20, 1997

The following rates and charges are prescribed for the customers in the area served by Harrison County Rural Electric Cooperative Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

SCHEDULE A - RATE 1 FARM AND HOME SERVICE

Rates:

All KWH Used \$.05946 Per KWH

RATE 1 - ETS FARM AND HOME SERVICE OFF-PEAK RETAIL MARKETING RATE

Rates:

All KWH Used \$.03568 Per KWH

RATE 2 COMMERCIAL AND SMALL POWER SERVICE (0 - 50 KW DEMAND)

Rates:

All KWH Used \$.05968 Per KWH

RATE 8 LARGE POWER SERVICE (50 TO 500 KW DEMAND)

Rates:

All KWH Used \$.03508 Per KWH

LPR-1, RATE 8 LARGE POWER SERVICE OVER 500 KW DEMAND

Rates:

All KWH Used \$.03256 Per KWH

LPR-2, RATE 8
LARGE POWER SERVICE 1,000 KW TO 4,999 KW

Rates:

All KWH Used	\$.03171 Per KWH
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LPR-2, RATE 8
LARGE POWER SERVICE 5,000 KW TO 9,999 KW DEMAND

Rates:

First 425 KWH per KW of Billing Demand	\$.02914 Per KWH
All Remaining KWH	.02162 Per KWH

SECURITY LIGHTS
OUTDOOR LIGHTING SERVICE

Rate Per Fixture:

<u>Type of Fixture</u>	<u>Lamp Size</u>	<u>Monthly Charge</u>
Mercury Vapor	175 Watts (73 KWH/lamp)	\$ 8.19 Per Month
Mercury Vapor	400 Watts (154 KWH/lamp)	12.76 Per Month